

**ASSEMBLY BILL**

**No. 85**

**Introduced by Assembly Member Granlund**

December 9, 1998

An act to add Title 17 (commencing with Section 99000) to the Government Code, relating to Indian gambling.

LEGISLATIVE COUNSEL'S DIGEST

AB 85, as introduced, Granlund. Indian gambling: tribal-state compacts.

Existing law, the Tribal Government Gaming and Economic Self-Sufficiency Act of 1998, approved by the voters as Proposition 5 at the November 3, 1998, statewide general election and currently stayed pending review by the California Supreme Court, would authorize federally recognized Indian tribes within the state to conduct specified forms of gambling subject to the terms and conditions of tribal-state gaming compacts.

This bill would reenact the Tribal Government Gaming and Economic Self-Sufficiency Act as a duplicate title within the Government Code, without substantive change.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Title 17 (commencing with Section  
2 99000) is added to the Government Code, to read:  
3

1 TITLE 17. STATE-TRIBAL AGREEMENTS  
2 GOVERNING INDIAN GAMING

3  
4 CHAPTER 1. THE TRIBAL GOVERNMENT GAMING AND  
5 ECONOMIC SELF-SUFFICIENCY ACT OF 1999

6  
7 99000. This chapter shall be known and may be cited  
8 as “The Tribal Government Gaming and Economic  
9 Self-Sufficiency Act of 1999.”

10 99001. (a) The people of the State of California find  
11 that, historically, Indian tribes within the state have long  
12 suffered from high rates of unemployment and  
13 inadequate educational, housing, elderly care, and health  
14 care opportunities, while typically being located on lands  
15 that are not conducive to economic development in order  
16 to meet those needs. Federal law provides a statutory  
17 basis for conducting licensed and regulated tribal  
18 government gaming on, and limited to, qualified Indian  
19 lands, as a means of strengthening tribal self-sufficiency  
20 through the creation of jobs and tribal economic  
21 development. Federal law also provides that certain  
22 forms of gaming, known as “class III gaming,” will be the  
23 subject of an agreement between a tribe and the state (a  
24 “Tribal-State compact”), pursuant to which that gaming  
25 will be governed.

26 (b) The people of the state find that uncertainties  
27 have developed over various issues concerning class III  
28 gaming and the development of Tribal-State compacts  
29 between the state and tribes, and that those uncertainties  
30 have led to delays and considerable expense. The  
31 Tribal-State compact terms set forth in Section 99004 (the  
32 “Gaming Compact”), including the geographic  
33 confinement of that gaming to certain tribal lands, the  
34 agreement and limitations on the kinds of class III gaming  
35 in which a tribe operating thereunder may be engaged,  
36 and the regulation and licensing required thereunder,  
37 are intended to resolve those uncertainties in an efficient  
38 and cost-effective way, while meeting the basic and  
39 mutual needs of the state and the tribes without undue  
40 delay. The resolution of uncertainty regarding class III

1 gaming in California, the generation of employment and  
2 tribal economic development that will result therefrom,  
3 and the limitations on the growth of gaming in California  
4 that are inherent therein, are in the best and immediate  
5 interest of all citizens of the state. This chapter has been  
6 enacted as a matter of public policy and in recognition  
7 that it fulfills important state needs. All of the factors the  
8 state could consider in negotiating a Tribal-State compact  
9 under federal law have been taken into account in  
10 offering to tribes the terms set forth in the Gaming  
11 Compact.

12 (c) The people of the state further find that casinos of  
13 the type currently operating in Nevada and New Jersey  
14 are materially different from the tribal gaming facilities  
15 authorized under this chapter, including those in which  
16 the gaming activities under the Gaming Compact are  
17 conducted, in that the casinos in those states (1)  
18 commonly offer their patrons a broad spectrum of  
19 house-banked games, including but not limited to  
20 house-banked card games, roulette, dice games, and slot  
21 machines that dispense coins or currency, none of which  
22 games are authorized under this chapter; and (2) are  
23 owned by private companies, individuals, or others that  
24 are not restricted on how their profits may be expended,  
25 whereas tribal governments must be the primary  
26 beneficiaries of the gaming facilities under this chapter  
27 and the Gaming Compact, and are limited to using their  
28 gaming revenues for various tribal purposes, including  
29 tribal government services and programs such as those  
30 that address reservation housing, elderly care, education,  
31 economic development, health care, and other tribal  
32 programs and needs, in conformity with federal law.

33 99002. (a) The Governor is authorized to execute on  
34 behalf of this state a Gaming Compact containing the  
35 terms set forth in Section 99004, and shall do so as a  
36 ministerial act, without preconditions, within 30 days  
37 after receiving a request from a tribe, accompanied by or  
38 in the form of a duly enacted resolution of the tribe's  
39 governing body, to enter into such a compact.

1 (b) If any federally recognized tribe having  
2 jurisdiction over Indian lands in California requests that  
3 the Governor enter into negotiations for a Tribal-State  
4 compact under federal law, including but not limited to  
5 the Indian Gaming Regulatory Act (25 U.S.C. Sec. 2701 et  
6 seq.) (hereafter “IGRA”), on terms different than those  
7 prescribed in the Gaming Compact in Section 99004, the  
8 Governor shall enter into those negotiations pursuant to  
9 that federal law and without preconditions, and is  
10 authorized to reach agreement and execute that compact  
11 on behalf of the state, which authority shall not require  
12 action by the Legislature so long as the compact does not  
13 expand the scope of class III gaming permitted under a  
14 Gaming Compact under this chapter, create or confer  
15 additional powers on any agency of this state that are  
16 inconsistent with the terms of a Gaming Compact, or  
17 infringe upon the power of the Legislature to appropriate  
18 and authorize the expenditure of funds from the State  
19 Treasury. Any action by the Legislature that expands the  
20 scope of class III gaming permitted in any Tribal-State  
21 compact between the state and a tribe beyond that  
22 authorized and permitted in the Gaming Compact set  
23 forth in Section 99004 may not be deemed to be in conflict  
24 with, or prohibited by, this chapter.

25 (c) The Governor is authorized and directed to  
26 execute, as a ministerial act on behalf of the state, any  
27 additional documents that may be necessary to  
28 implement this chapter or any Tribal-State compact  
29 entered into pursuant to this chapter. In the event that  
30 federal law regarding the process for entry into or  
31 approval of Tribal-State gaming compacts is changed in  
32 any way that would require a change in any procedure  
33 under this chapter in order for a Tribal-State gaming  
34 compact to become effective, this chapter shall be  
35 deemed amended to conform to and incorporate that  
36 changed federal law.

37 99003. Any state department or agency, or other  
38 subdivision of the state, providing gaming regulatory  
39 services to a tribe pursuant to the terms of this chapter,  
40 including a Gaming Compact entered into hereunder, is



1 authorized to require and receive reimbursement from  
2 the tribe for the actual and reasonable costs of those  
3 services in accordance with a fee schedule to be agreed  
4 to by the tribe and the state that is based on what the state  
5 gaming agency reasonably charges other government  
6 agencies for comparable services. Any funds received  
7 from a tribe in reimbursement for those services are  
8 hereby continuously appropriated to that department,  
9 agency, or subdivision for those purposes. Any disputes  
10 concerning the reasonableness of any claim for  
11 reimbursement shall be resolved in accordance with the  
12 dispute resolution procedures set forth in the Gaming  
13 Compact.

14 99004. The State of California hereby offers to any  
15 federally recognized Indian tribe that is recognized by  
16 the Secretary of the Interior as having jurisdiction over  
17 Indian lands in California that are eligible for gaming  
18 under IGRA, and any such tribe may request, and enter  
19 into with the state, a Gaming Compact containing the  
20 following terms and conditions:

21  
22  
23 “TRIBAL-STATE GAMING COMPACT

24  
25 Between the

26  
27 [OFFICIAL NAME OF TRIBE],

28  
29 a federally recognized Indian Tribe,

30  
31 and the

32  
33 STATE OF CALIFORNIA

34  
35 This Tribal-State Gaming Compact is entered into on  
36 a government-to-government basis by and between the  
37 [Official Name of Tribe], a federally recognized sovereign  
38 Indian tribe (hereafter “Tribe”), and the State of  
39 California, a sovereign State of the United States  
40 (hereafter “State”), pursuant to the Indian Gaming

1 Regulatory Act of 1988 (P.L. 100-497, codified at 18 U.S.C.  
2 Sec. 1166 et seq. and 25 U.S.C. Sec. 2701 et seq.) (hereafter  
3 “IGRA”), and any successor statute or amendments, and  
4 the Tribal Government Gaming and Economic  
5 Self-Sufficiency Act of 1999 (Chapter 1 (commencing  
6 with Section 99000) of Title 17 of the Government Code).

7  
8  
9 Section 1.0. PURPOSES AND OBJECTIVES. The  
10 terms of this Gaming Compact are designed and  
11 intended to:

12 (a) Evidence the good will and cooperation of the  
13 Tribe and State in fostering a mutually respectful  
14 government-to-government relationship that will serve  
15 the mutual interests of the parties.

16 (b) Develop and implement a means of regulating  
17 class III gaming on the Tribe’s Indian lands to ensure its  
18 fair and honest operation in accordance with IGRA, and,  
19 through that regulated class III gaming, enable the Tribe  
20 to develop self-sufficiency, promote tribal economic  
21 development, and generate jobs and revenues to support  
22 the Tribe’s government and governmental services and  
23 programs.

24 (c) Promote ethical practices in conjunction with that  
25 gaming, through the licensing and control of persons and  
26 entities employed in, or providing goods and services to,  
27 the Tribe’s gaming operation and protecting against the  
28 presence or participation of persons whose criminal  
29 backgrounds, reputations, character, or associations  
30 make them unsuitable for participation in gaming,  
31 thereby maintaining a high level of integrity in  
32 government gaming.

33  
34 Sec. 2.0. DEFINITIONS

35 Sec. 2.1. “Act” means the Tribal Government  
36 Gaming and Economic Self-Sufficiency Act of 1999  
37 (Section 99000 et seq. of the Government Code).

38 Sec. 2.2. “Applicant” means an individual or entity  
39 that applies for a Tribal license or State certification.

1 Sec. 2.3. “Class III gaming” means the forms of class  
2 III gaming defined as such in 25 U.S.C. Sec. 2703(8) and  
3 by regulations of the National Indian Gaming  
4 Commission.

5 Sec. 2.4. “Gaming activities” means the class III  
6 gaming activities authorized under this Gaming  
7 Compact.

8 Sec. 2.5. “Gaming Compact” means this compact.

9 Sec. 2.6. “Gaming device” means any electronic,  
10 electromechanical, electrical, or video device that, for  
11 consideration, permits: individual play with or against  
12 that device or the participation in any electronic,  
13 electromechanical, electrical, or video system to which  
14 that device is connected; the playing of games thereon or  
15 therewith, including, but not limited to, the playing of  
16 facsimiles of games of chance or skill; the possible delivery  
17 of, or entitlement by the player to, a prize or something  
18 of value as a result of the application of an element of  
19 chance; and a method for viewing the outcome, prize  
20 won, and other information regarding the playing of  
21 games thereon or therewith.

22 Sec. 2.7. “Gaming employee” means any person who  
23 (a) operates, maintains, repairs, assists in any gaming  
24 activity, or is in any way responsible for supervising  
25 gaming activities or persons who conduct, operate,  
26 account for, or supervise any gaming activity, (b) is in a  
27 category under federal or tribal gaming law requiring  
28 licensing, or (c) is a person whose employment duties  
29 require or authorize access to areas of the gaming facility  
30 that are not open to the public. In defining those  
31 categories of persons who are required to be licensed  
32 under tribal gaming law, the Tribe shall consider the  
33 inclusion of persons who are required to be licensed  
34 pursuant to state gaming law.

35 Sec. 2.8. “Gaming facility” means any building or  
36 room in which class III gaming activities or gaming  
37 operations occur, or in which the business records,  
38 receipts, or other funds of the gaming operation are  
39 maintained (but excluding offsite facilities primarily  
40 dedicated to storage of those records, and financial

1 institutions), and all rooms, buildings, and areas,  
2 including parking lots, walkways, and means of ingress  
3 and egress associated therewith, provided that nothing  
4 herein prevents the conduct of class II gaming (as defined  
5 under IGRA) therein.

6 Sec. 2.9. “Gaming operation” means the business  
7 enterprise that offers and operates gaming activities.

8 Sec. 2.10. “Gaming ordinance” means a tribal  
9 ordinance or resolution duly authorizing the conduct of  
10 gaming activities on the Tribe’s Indian lands and  
11 approved under IGRA.

12 Sec. 2.11. “Gaming resources” means any goods or  
13 services used in connection with gaming activities,  
14 including, but not limited to, equipment, furniture,  
15 gambling devices and ancillary equipment, implements  
16 of gaming activities such as playing cards and dice,  
17 furniture designed primarily for gaming activities,  
18 maintenance or security equipment and services, and  
19 gaming consulting services. “Gaming resources” does not  
20 include professional accounting and legal services.

21 Sec. 2.12. “Gaming resource supplier” means any  
22 manufacturer, distributor, supplier, vendor, lessor, or  
23 other purveyor of gaming resources to the gaming  
24 operation or gaming facility, provided that the Tribal  
25 gaming agency may exclude any such purveyor if the  
26 subject equipment or furniture is not specifically  
27 designed for, and is distributed generally for use other  
28 than in connection with, gaming activities.

29 Sec. 2.13. “IGRA” means the Indian Gaming  
30 Regulatory Act of 1988 (P.L. 100-497, 18 U.S.C. Sec. 1166  
31 et seq. and 25 U.S.C. Sec. 2701 et seq.) any amendments  
32 and successors thereto, and all regulations promulgated  
33 thereunder.

34 Sec. 2.14. “Management contractor” means any  
35 person with whom the Tribe has contracted for the  
36 management of any gaming activity or gaming facility,  
37 including, but not limited to, any person who would be  
38 regarded as a management contractor under IGRA.

39 Sec. 2.15. “Net win” means the wagering revenue  
40 from gaming activities retained by the Tribe after prizes



1 or winnings have been paid to players or to pools  
2 dedicated to the payment of those prizes and winnings,  
3 and prior to the payment of operating or other expenses.

4 Sec. 2.16. "Players' pool prize system" means one or  
5 more segregated pools of funds that have been collected  
6 from player wagers, that are irrevocably dedicated to the  
7 prospective award of prizes in authorized gaming  
8 activities, and in which the house neither has nor can  
9 acquire any interest. The Tribe may set and collect a fee  
10 from players on a per play, per amount wagered, or  
11 time-period basis, and may seed the player pools in the  
12 form of loans or promotional expenses, provided that  
13 seeding is not used to pay prizes previously won.

14 Sec. 2.17. "State" means the State of California.

15 Sec. 2.18. "State gaming agency" means the person,  
16 agency, board, commission, or official that the State duly  
17 authorizes to fulfill the functions assigned to it under this  
18 Gaming Compact. As of the effective date of this Act, this  
19 agency is the entity or entities authorized to investigate,  
20 approve, and regulate gaming licenses pursuant to the  
21 Gambling Control Act (Chapter 5 (commencing with  
22 Section 19900) of Division 8 of the Business and  
23 Professions Code) or its successors. In the event no  
24 agency is authorized to conduct this function, the State  
25 shall designate such an agency by statute. If the State fails  
26 to designate an agency authorized to investigate,  
27 approve, and regulate gaming licenses, any function  
28 assigned to the State gaming agency in this Gaming  
29 Compact shall be assumed by the Tribal gaming agency  
30 until the State so designates an agency as provided herein.

31 Sec. 2.19. "Tribal Chairperson" means the person  
32 duly elected or selected under the Tribe's organic  
33 documents, customs, or traditions to serve as the primary  
34 spokesperson for the Tribe.

35 Sec. 2.20. "Tribal gaming agency" means the person,  
36 agency, board, committee, commission, or council  
37 designated under tribal law, including, but not limited to,  
38 an intertribal gaming regulatory agency approved to  
39 fulfill those functions by the National Indian Gaming  
40 Commission, as primarily responsible for carrying out the

1 Tribe's regulatory responsibilities under IGRA and the  
2 Tribal gaming ordinance. No person employed in, or in  
3 connection with, the management, supervision, or  
4 conduct of any gaming activity may be a member or  
5 employee of the Tribal gaming agency.

6 Sec. 2.21. "Tribal gaming terminal" means a gaming  
7 device that does not dispense coins or currency and is not  
8 activated by a handle.

9 Sec. 2.22. "Tribe" means the [official name of Tribe],  
10 a federally recognized Indian tribe.

11  
12 Sec. 3.0. CLASS III GAMING AUTHORIZED AND  
13 PERMITTED. The Tribe is hereby authorized and  
14 permitted to engage in the gaming activities expressly  
15 referred to in Section 4.0.

16  
17 Sec. 4.0. SCOPE OF CLASS III GAMING

18 Sec. 4.1. Authorized and Permitted Class III  
19 Gaming. To the extent regarded as forms or types of  
20 class III gaming, the Tribe is hereby authorized and  
21 permitted to operate the following gaming activities  
22 under the terms and conditions set forth in this Gaming  
23 Compact:

24 (a) The operation of Tribal gaming terminals,  
25 provided that such devices shall meet the technical  
26 standards adopted pursuant to Section 8.1.15 and shall pay  
27 prizes solely in accordance with a players' pool prize  
28 system.

29 (b) The operation of any card games that were  
30 actually operated in any tribal gaming facility in  
31 California on or before January 1, 1998, and are not within  
32 class II of IGRA (which class II games are not affected by  
33 this Gaming Compact), provided that such non-class II  
34 card games shall pay prizes solely in accordance with a  
35 players' pool prize system.

36 (c) The operation of any lottery game, including, but  
37 not limited to, drawings, raffles, match games, and instant  
38 lottery ticket games.

39 (d) The simulcasting and offering of off-track betting  
40 on horse races, if offered in accordance with the terms



1 and conditions of the Tribal-State compact between the  
2 State and the Sycuan Band of Mission Indians that existed  
3 on March 31, 1997 (“Sycuan compact”), the terms of  
4 which shall be adjusted for northern California racing if  
5 required by the geographic location of the Tribe, and  
6 which compact is hereby incorporated by reference on  
7 the effective date of this Gaming Compact, unless the  
8 Tribe elects to adopt the provisions of an existing compact  
9 pursuant to the next sentence. If the Tribe and the State  
10 have already entered into a compact governing off-track  
11 wagering, that compact, at the Tribe’s option, may  
12 continue in full force and effect as the off-track wagering  
13 provisions intended by this section, or the Sycuan  
14 compact terms and conditions may be substituted  
15 therefor. The Tribe may notify the State, at the time the  
16 notice under Section 99002 of the Act is given, or at any  
17 later date as the Tribe may deem appropriate, of its  
18 election with regard to which off-track wagering  
19 compact it has elected to incorporate herein. With regard  
20 to any Tribal-State compact governing off-track  
21 wagering, including this Gaming Compact, if the State  
22 lacks jurisdiction under federal law to collect a license fee  
23 or other charge on wagers placed at a tribal facility, which  
24 fee or charge would ordinarily be collected on wagers at  
25 nontribal facilities, an amount equal to that fee or charge  
26 shall be deducted from any off-track wagers made at the  
27 Tribe’s facility and shall be distributed to the Tribe.

28 Sec. 4.2. Authorized Gaming Facilities. The Tribe  
29 may establish and operate gaming facilities in which the  
30 gaming activities authorized under this Gaming Compact  
31 may be conducted, provided that the facilities are located  
32 on Indian lands within California over which the Tribe  
33 has jurisdiction, and qualify under federal law as lands  
34 upon which gaming can lawfully be conducted. The Tribe  
35 may combine and operate in those gaming facilities any  
36 forms and kinds of gaming permitted under law, except  
37 to the extent limited under IGRA or the Tribe’s gaming  
38 ordinance.

39



1 Sec. 5.0. TRIBAL, STATE, AND LOCAL TRUST  
2 FUNDS

3 Sec. 5.1. Conditional Obligation to Contribute to  
4 Trust Funds; Contribution Formula. (a) The parties  
5 acknowledge that the operation of Tribal gaming  
6 terminals authorized under this Gaming Compact is  
7 expected to occupy a unique place in gaming within the  
8 State that is material to the ability of the Tribe and other  
9 tribal governments operating under similar compacts to  
10 achieve the economic development and other goals  
11 intended by IGRA. The Tribe therefore agrees to make  
12 the contributions to the trust funds described in Sections  
13 5.2, 5.3, and 5.4, only for as long as it and other tribes that  
14 have entered into Gaming Compacts are not deprived of  
15 that unique opportunity. Accordingly, in the event that  
16 any other person or entity, including, but not limited to,  
17 the California State Lottery, lawfully operates gaming  
18 devices within the State at any time after January 2, 1998,  
19 any and all obligations by the Tribe to make the trust fund  
20 contributions required under Sections 5.2, 5.3, and 5.4  
21 shall immediately and permanently cease and terminate.  
22 For the purposes of this section only, no equipment or  
23 type of game played thereon or therewith that was  
24 offered by the California State Lottery or any race track  
25 in California prior to January 2, 1998, may be deemed to  
26 cause the cessation and termination of those trust fund  
27 contributions.

28 (b) The contributions due under Sections 5.2, 5.3, and  
29 5.4 shall be determined and made on a calendar quarter  
30 basis, by first determining the total number of all Tribal  
31 gaming terminals operated by a Tribe during a given  
32 quarter ("Quarterly Terminal Base"). Notwithstanding  
33 anything in this Section 5.0 to the contrary, the Tribe shall  
34 have no obligation to make any contribution to any trust  
35 fund on the net win derived from the first 200 terminals  
36 in the Quarterly Terminal Base; shall contribute at  
37 one-half of the percentage rates specified in Sections 5.2,  
38 5.3, and 5.4 on the net win derived from the next 200  
39 terminals in the Quarterly Terminal Base; and shall  
40 contribute at the full percentage rates specified in the

1 above sections on the net win derived from any additional  
2 terminals in the Quarterly Terminal Base. In making  
3 those computations, the total net win from all terminals  
4 in the Quarterly Terminal Base during a given quarter  
5 shall be included and evenly divided among all such  
6 terminals (“Average Terminal Net Win”), regardless of  
7 the actual performance or net win of any particular  
8 terminal. The Average Terminal Net Win shall be used as  
9 the basis for calculating the foregoing exclusions or  
10 reductions that are based on the number of terminals in  
11 the Quarterly Terminal Base.

12 Sec. 5.2. Nongaming Tribal Assistance Fund.

13 Sec. 5.2.1. The Tribe shall participate in a trust fund  
14 with all other tribes, if any, that enter into Gaming  
15 Compacts under Section 99004 of the Act, into which it  
16 shall deposit 2 percent of its net win from Tribal gaming  
17 terminals each calendar quarter. The trust fund shall be  
18 distributed on an equitable basis for education, economic  
19 development, cultural preservation, health care, and  
20 other tribal purposes to federally recognized tribes  
21 located in California that have not participated in any  
22 form of gaming within the 12-month period preceding  
23 the anticipated receipt of such trust funds.

24 Sec. 5.2.2. The trust shall have a board of 12 trustees,  
25 consisting of one representative from each of three  
26 federally recognized tribes in each federal judicial district  
27 in California, elected by nomination as set forth below  
28 and majority vote of those tribal representatives  
29 attending a meeting at which all federally recognized  
30 tribes in the district have been given at least 15 days’  
31 written notice to attend. Each such tribe shall have one  
32 vote. The State shall assist the trust fund in assuring that  
33 adequate notice is given to all tribes who are to be  
34 represented at the meeting. Two of the trustees from  
35 each district shall consist of representatives of tribes in  
36 the district that have entered into Gaming Compacts  
37 under the Act, and one trustee shall be from a nongaming  
38 tribe. If there are no tribes that fit into one category, the  
39 trustee positions shall be filled by the other category of  
40 tribes. Gaming tribes shall nominate and elect the gaming

1 tribe representatives, and nongaming tribes shall  
2 nominate and elect the nongaming tribe representative.  
3 Trustees shall serve for two-year terms, and shall receive  
4 reimbursement for reasonable costs actually incurred to  
5 attend meetings and serve as a trustee that have been  
6 approved by the board of trustees.

7 Sec. 5.2.3. All contributions to the fund shall be  
8 combined on a statewide basis and shall be distributed  
9 from the trust fund on a quarterly basis statewide in  
10 accordance with a fair and equitable formula established  
11 by the trustees by majority vote. All moneys in the trust  
12 fund shall be distributed annually, less reasonable costs of  
13 administering the trust fund, which may not exceed 5  
14 percent of the moneys contributed to the trust fund in  
15 each year, and pursuant to a budget approved by the  
16 board of trustees.

17 Sec. 5.2.4. The first meeting of the trustees shall take  
18 place within the earlier of 60 days after at least three  
19 Gaming Compacts have become effective in the  
20 applicable federal judicial district, or six months following  
21 the effective date of the first Gaming Compact in that  
22 district. Distributions that are due from the Tribe prior to  
23 the formal creation of the trust fund specified herein shall  
24 be held in trust by the Tribe for such purposes.

25 Sec. 5.2.5. Contributions to the fund from the Tribe  
26 shall be made on the 15th day of the month following the  
27 close of the second calendar quarter in which this Gaming  
28 Compact has been in effect, based on the net win in the  
29 first calendar quarter of operations under the Gaming  
30 Compact derived from all Tribal gaming terminals in the  
31 Quarterly Terminal Base, and on the 15th day of the  
32 month following the close of each calendar quarter  
33 thereafter (July 15, October 15, January 15, and April 15;  
34 hereafter “contribution dates”) based on the second  
35 preceding calendar quarter net win. For example, if this  
36 Gaming Compact becomes effective on October 10, the  
37 first contribution will be due on April 15, based on the  
38 total net win from Tribal gaming terminals in the  
39 Quarterly Terminal Base for the calendar quarter ending



1 December 31. The next contribution date will be July 15,  
2 for the quarter ending March 31, and so forth.

3 Sec. 5.3. Statewide Trust Fund.

4 Sec. 5.3.1. The Tribe shall participate in a trust fund  
5 with the other Gaming Compact tribes, if any, into which  
6 it shall deposit, on a quarterly basis on each contribution  
7 date, an amount equal to 3 percent of the net win from  
8 the Tribal gaming terminals in the Quarterly Terminal  
9 Base. Except as otherwise provided herein, the creation  
10 of the trust, board of trustees, and method for making  
11 contributions and distributions shall be identical to the  
12 manner in which contributions are made, trust funds are  
13 distributed, and the board of trustees is created and  
14 administered under Section 5.2, provided that  
15 nongaming tribes may not be represented or vote for  
16 trustees on the board.

17 Sec. 5.3.2. For each quarter, the board of trustees shall  
18 determine, based on a formula, established with the  
19 approval of the State, that takes into account the  
20 population, ratio, and emergency medical needs of  
21 persons over 55 years of age in each county, a method for  
22 distributing annually all funds in the trust, except for  
23 reasonable administrative expenses (including said  
24 trustee costs) not to exceed 5 percent of the amounts  
25 contributed to the trust fund in each year, and pursuant  
26 to a budget approved by the board of trustees. The funds  
27 in trust shall be used solely to supplement emergency  
28 medical care resources within each county, including, but  
29 not limited to, those provided by any federally  
30 recognized tribes within the county, provided that,  
31 without increasing said 3 percent amount, one-half of 1  
32 percent of the net win on which said contribution is based  
33 shall be used to establish or supplement programs within  
34 the county that address compulsive and addictive  
35 gambling.

36 Sec. 5.4. Local Benefits Grant Fund.

37 Sec. 5.4.1. The Tribe shall establish a trust fund into  
38 which it shall deposit, on a quarterly basis on each  
39 contribution date, an amount equal to 1 percent of the net

1 win from Tribal gaming terminals in the Tribe's gaming  
2 operation.

3 Sec. 5.4.2. Within 60 days after commencing  
4 operations under this Gaming Compact, the Tribe shall  
5 invite discussion, on a government-to-government basis,  
6 with governmental representatives of any city or county  
7 within the boundaries of which the Tribe's gaming  
8 facilities are located. Those discussions shall address  
9 community needs that could be met by grants of funds  
10 from the trust to any such cities and counties. Any  
11 federally recognized tribes within the county that are also  
12 providing services to meet those community needs shall  
13 also be included in those discussions and shall be eligible  
14 for those grants. The procedure and criteria for receiving  
15 such funds shall be submitted in writing to, and approved  
16 by, a committee comprised of representatives of each of  
17 the eligible local community and tribal governments and  
18 the Tribe. The Tribe shall distribute annually all of such  
19 trust funds, less reasonable administrative costs of no  
20 more than 5 percent, in accordance with a distribution  
21 plan agreed upon by the committee that is fair and  
22 equitable. Funds not distributed in any year despite good  
23 faith efforts to do so shall be carried over to the following  
24 year.

25

26 Sec. 6.0. REGULATION OF GAMING

27 Sec. 6.1. Tribal Gaming Ordinance. All gaming  
28 activities conducted under this Gaming Compact shall at  
29 a minimum comply with a Tribal gaming ordinance duly  
30 adopted by the Tribe and approved in accordance with  
31 IGRA.

32 Sec. 6.2. Tribal Ownership, Management, and  
33 Control of Gaming Facility and Gaming Operation. All  
34 gaming operations and facilities authorized under this  
35 Gaming Compact shall be owned solely by the Tribe. The  
36 parties acknowledge that most tribal gaming operations  
37 and facilities within the State presently are controlled and  
38 conducted solely by a tribe, and that a goal of the Act is  
39 to enable all tribes to control and conduct their own  
40 gaming operations and facilities, provide tribal job





1 training and employment, and achieve tribal  
2 self-sufficiency. Therefore, although the Tribe shall be  
3 entitled to contract for the management of the gaming  
4 facility and operation in accordance with IGRA, any such  
5 management contract shall provide that, to the extent  
6 permitted by law, members of the Tribe will be trained  
7 for and advanced to key management positions, and that  
8 a goal of the management contractor is to prepare the  
9 Tribe to assume the control and conduct of the operation  
10 and facility.

11 Sec. 6.3. Prohibition Regarding Minors. Tribal  
12 gaming facilities operated pursuant to this Gaming  
13 Compact shall be subject to the same minimum-age  
14 restrictions for patrons that currently apply to the  
15 California State Lottery. If alcoholic beverages are served  
16 in any area of a Tribal gaming facility operated pursuant  
17 to this Gaming Compact, prohibitions regarding age  
18 limits in that area shall be governed by applicable law.

19 Sec. 6.4. Licensing Requirements and Procedures.

20 Sec. 6.4.1. Summary of Licensing Principles. All  
21 persons in any way connected with the gaming operation  
22 or facility who are required to be licensed under IGRA  
23 and any others required to be licensed under this Gaming  
24 Compact, including, but not limited to, all gaming  
25 employees and gaming resource suppliers, must be  
26 licensed by the Tribal gaming agency. The Tribal gaming  
27 agency shall have the primary responsibility for licensing  
28 those persons and entities and for the regulation of the  
29 gaming operation and facility. The Tribal gaming agency  
30 shall also certify, through the use of experts and with  
31 participation by the State gaming agency if it so desires,  
32 that the gaming facility and any construction to be  
33 undertaken in regard thereto meet specified building  
34 and safety standards. The State gaming agency shall be  
35 provided with licensing application information and  
36 reports regarding facility inspections and compliance.  
37 The State gaming agency may review that information  
38 and object or refrain from objecting thereto. In the event  
39 that the State gaming agency fails to object to a gaming  
40 license application within 90 days after receipt of that

1 information and notification that the Tribal gaming  
2 agency intends to issue a temporary or permanent  
3 license, the State gaming agency is deemed to have  
4 certified that it has no objection to that issuance, but the  
5 State gaming agency shall be free at any time to revoke  
6 that certification, or to request the Tribal gaming agency  
7 to suspend or revoke a gaming license. The dispute  
8 resolution processes between the State and the Tribe  
9 provided for herein shall be available to resolve disputes  
10 between the Tribe and the State regarding such requests  
11 and building and safety certifications. The parties intend  
12 that the licensing process provided for in this Gaming  
13 Compact shall involve joint cooperation between the  
14 Tribal gaming agency and the State gaming agency, as  
15 more particularly described herein.

16 Sec. 6.4.2. Gaming Facility. (a) The gaming facility  
17 authorized by this Gaming Compact shall be licensed by  
18 the Tribal gaming agency in conformity with the  
19 requirements of this Gaming Compact, the Tribal gaming  
20 ordinance, and IGRA. The license shall be reviewed and  
21 renewed, if appropriate, every two years thereafter.  
22 Verification that this requirement has been met shall be  
23 provided to the State gaming agency. The Tribal gaming  
24 agency's certification to that effect shall be posted in a  
25 conspicuous and public place in the gaming facility at all  
26 times.

27 (b) In order to protect the health and safety of all  
28 gaming facility patrons, guests, and employees, all  
29 gaming facilities of the Tribe constructed after the  
30 effective date of this Gaming Compact shall meet the  
31 building and safety codes of the Tribe, which, as a  
32 condition for engaging in that construction, shall amend  
33 its existing building and safety codes if necessary, or enact  
34 such codes if there are none, so that they meet the  
35 standards of either the building and safety codes of any  
36 county within the boundaries of which the site of the  
37 facility is located, or the Uniform Building Codes,  
38 including all uniform fire, plumbing, electrical,  
39 mechanical, and related codes then in effect, provided  
40 that nothing herein shall be deemed to confer jurisdiction



1 upon any county or the State with respect to any  
2 reference to such building and safety codes.

3 (c) Any gaming facility in which gaming authorized  
4 by this Gaming Compact is conducted shall be licensed by  
5 the Tribal gaming agency prior to occupancy if it was not  
6 used for any gaming activities under IGRA prior to the  
7 effective date of this Gaming Compact, or, if it was so  
8 used, within one year thereafter. The issuance of this  
9 license shall be reviewed and renewed every two years  
10 thereafter. Inspections by qualified building and safety  
11 experts shall be conducted under the direction of the  
12 Tribal gaming agency as the basis for issuing or renewing  
13 any license hereunder. The Tribal gaming agency shall  
14 determine and certify that, as to new construction or new  
15 use for gaming, the facility meets the Tribe's building and  
16 safety code, or, as to facilities or portions of facilities that  
17 were used for the Tribe's gaming activities prior to this  
18 Gaming Compact, that the facility or portions thereof do  
19 not endanger the health or safety of occupants or the  
20 integrity of the gaming operation.

21 (d) The State gaming agency shall be given at least 30  
22 days' notice of each inspection by those experts, and, after  
23 10 days' notice to the Tribe, may accompany any such  
24 inspection. The Tribe agrees to correct any facility  
25 condition noted in an inspection that does not meet the  
26 standards set forth in subdivision (b). The Tribal gaming  
27 agency and State gaming agency shall exchange any  
28 reports of an inspection within 10 days after its  
29 completion, which reports shall also be separately and  
30 simultaneously forwarded by both agencies to the Tribal  
31 Chairperson. Upon certification by those experts that a  
32 facility meets applicable standards, the Tribal gaming  
33 agency shall forward the experts' certification to the State  
34 within 10 days of issuance. If the State objects to that  
35 certification, the Tribe shall make a good faith effort to  
36 address the State's concerns, but if the State does not  
37 withdraw its objection, the matter will be resolved in  
38 accordance with the dispute resolution provisions of  
39 Section 9.0.

1 Sec. 6.4.3. Suitability Standard Regarding Gaming  
2 Licenses. In reviewing an application for a gaming  
3 license, and in addition to any standards set forth in the  
4 Tribal gaming ordinance, the Tribal gaming agency shall  
5 consider whether issuance of the license is inimical to  
6 public health, safety, or welfare, and whether issuance of  
7 the license will undermine public trust that the Tribe's  
8 gaming operations, or tribal government gaming  
9 generally, are free from criminal and dishonest elements  
10 and would be conducted honestly. A license may not be  
11 issued unless, based on all information and documents  
12 submitted, the Tribal gaming agency is satisfied that the  
13 applicant is all of the following, in addition to any other  
14 criteria in IGRA or the Tribal gaming ordinance:

15 (a) A person of good character, honesty, and integrity.

16 (b) A person whose prior activities, criminal record, if  
17 any, reputation, habits, and associations do not pose a  
18 threat to the public interest or to the effective regulation  
19 and control of gambling, or create or enhance the dangers  
20 of unsuitable, unfair, or illegal practices, methods, or  
21 activities in the conduct of gambling or in the carrying on  
22 of the business and financial arrangements incidental  
23 thereto.

24 (c) A person who is in all other respects qualified to be  
25 licensed as provided in this Gaming Compact, IGRA, the  
26 Tribal gaming ordinance, and any other criteria adopted  
27 by the Tribal gaming agency or the Tribe, provided that  
28 any applicant who supplied services or equipment to a  
29 tribal gaming operation prior to the effective date of this  
30 Act, such as, but not limited to, a person who would be  
31 deemed to be a gaming employee or gaming resource  
32 supplier under this Gaming Compact, or any person who  
33 may have been deemed to have violated a law in the  
34 exercise of or protection of a tribe's sovereignty rights in  
35 connection with fishing, hunting, protection of burial  
36 grounds, repatriation of remains or artifacts, or gaming,  
37 may not, for that reason, be deemed unsuitable. Nothing  
38 herein may be deemed to exempt any such applicant  
39 from otherwise qualifying for licensing or certification  
40 under this Gaming Compact.

1     Sec. 6.4.4. Gaming Employees. Every gaming  
2 employee shall obtain, and thereafter maintain, a valid  
3 Tribal gaming license, which shall be subject to biannual  
4 renewal, provided that in accordance with Section 6.4.9,  
5 those persons may be employed on a temporary or  
6 conditional basis pending completion of the licensing  
7 process.

8     Sec. 6.4.5. Gaming Resource Supplier. Any gaming  
9 resource supplier who provides, has provided, or is  
10 deemed likely to provide at least twenty-five thousand  
11 dollars (\$25,000) in gaming resources in any 12-month  
12 period shall be licensed by the Tribal gaming agency  
13 prior to the sale, lease, or distribution, or further sale,  
14 lease, or distribution, of any such gaming resources to or  
15 in connection with the Tribe's operation or facility. These  
16 licenses shall be renewed at least every two years.

17     Sec. 6.4.6. Financial Sources. Any party extending  
18 financing, directly or indirectly, to the Tribe's gaming  
19 facility or gaming operation shall be licensed by the Tribal  
20 gaming agency prior to extending that financing.  
21 Licensing shall be effective for no more than two years  
22 before a renewal must be obtained, provided that, if a  
23 lender's gaming license is revoked or not renewed,  
24 reasonable arrangements may be made with regard to  
25 payment of any balance due to that lender so as to not  
26 impose undue hardship on the Tribe, provided that  
27 reasonable attempts shall be made to avoid ongoing  
28 conflicts with any licensing standard herein. A gaming  
29 resource supplier who provides financing in connection  
30 with the sale or lease of gaming resources obtained from  
31 that supplier may be licensed solely in accordance with  
32 licensing procedures applicable, if at all, to gaming  
33 resource suppliers. The Tribal gaming agency may, at its  
34 discretion, exclude, from the licensing requirements of  
35 this section, financing provided by a federally regulated  
36 or state-regulated bank, savings and loan, or other  
37 lending institution, a federally recognized tribal  
38 government or tribal entity thereof, or any agency of the  
39 federal, state, or local government.

1     Sec. 6.4.7. Processing Tribal Gaming License  
2 Applications. Each applicant for a Tribal gaming license  
3 shall submit the completed application along with the  
4 required information and an application fee, if required,  
5 to the Tribal gaming agency in accordance with the rules  
6 and regulations of that agency. At a minimum, the Tribal  
7 gaming agency shall require submission and  
8 consideration of all information required under IGRA,  
9 including Section 556.4 of Title 25 of the Code of Federal  
10 Regulations, for licensing primary management officials  
11 and key employees. For applicants who are business  
12 entities, these licensing provisions shall apply to the entity  
13 as well as: (i) each of its officers and directors; (ii) each  
14 of its principal management employees, including any  
15 chief executive officer, chief financial officer, chief  
16 operating officer, or general manager; (iii) each of its  
17 owners or partners, if an unincorporated business; (iv)  
18 each of its shareholders who owns more than 10 percent  
19 of the shares of the corporation, if a corporation; and (v)  
20 each person or entity (other than a financial institution  
21 that the Tribal gaming agency has determined does not  
22 require a license under the preceding section) that has  
23 provided financing in connection with any gaming  
24 authorized under this Gaming Compact, if that person or  
25 entity provided more than 10 percent of (a) the start-up  
26 capital, (b) the operating capital over a 12-month period,  
27 or (c) a combination thereof. For purposes of this section,  
28 where there is any commonality of the characteristics  
29 identified in clauses (i) to (iv), inclusive, between any  
30 two or more entities, those entities may be deemed to be  
31 a single entity. Nothing herein precludes the Tribe or  
32 Tribal gaming agency from requiring more stringent  
33 licensing requirements.

34     Sec. 6.4.8. Background Investigations of  
35 Applicants. The Tribal gaming agency shall conduct or  
36 cause to be conducted all necessary background  
37 investigations reasonably required to determine that the  
38 applicant is qualified for a gaming license under the  
39 standards set forth in Section 6.4.3, and to fulfill all  
40 requirements for licensing under IGRA, the Tribal

1 gaming ordinance, and this Gaming Compact. The Tribal  
2 gaming agency may not issue a license until a  
3 determination is made that those qualifications have  
4 been met. In lieu of completing its own background  
5 investigation, and to the extent that doing so does not  
6 conflict with or violate IGRA and the Tribal gaming  
7 ordinance, the Tribal gaming agency may rely on a State  
8 certification of nonobjection previously issued under a  
9 Gaming Compact involving another tribe, or a State  
10 gaming license previously issued to the applicant, to fulfill  
11 some or all of the Tribal gaming agency's background  
12 investigation obligation. An applicant for a Tribal gaming  
13 license shall be required to provide releases to the State  
14 gaming agency to make available to the Tribal gaming  
15 agency background information regarding the applicant.  
16 The State gaming agency shall cooperate in furnishing to  
17 the Tribal gaming agency that information, unless doing  
18 so would violate any agreement the State gaming agency  
19 has with a source of the information other than the  
20 applicant, or would impair or impede a criminal  
21 investigation, or unless the Tribal gaming agency cannot  
22 provide sufficient safeguards to assure the State gaming  
23 agency that the information will remain confidential.

24 Sec. 6.4.9. Temporary Licensing. Notwithstanding  
25 anything herein to the contrary, if the applicant has  
26 completed a license application in a manner satisfactory  
27 to the Tribal gaming agency, and that agency has  
28 conducted a preliminary background investigation, and  
29 the investigation or other information held by that  
30 agency does not indicate that the applicant has a criminal  
31 history or other information in his or her background that  
32 would either automatically disqualify the applicant from  
33 obtaining a license or cause a reasonable person to  
34 investigate further before issuing a license, or is otherwise  
35 unsuitable for licensing, the Tribal gaming agency may  
36 issue a temporary license and may impose such specific  
37 conditions thereon pending completion of the applicant's  
38 background investigation as the Tribal gaming agency in  
39 its sole discretion shall determine. Special fees may be  
40 required by the Tribal gaming agency to issue or maintain

1 a temporary license. A temporary license shall remain in  
2 effect until suspended or revoked, or a final  
3 determination is made on the application. At any time  
4 after issuance of a temporary license, the Tribal gaming  
5 agency may suspend or revoke it in accordance with  
6 Sections 6.5.1 and 6.5.5, and the State gaming agency may  
7 request suspension or revocation in accordance with  
8 subdivision (d) of Section 6.5.6.

9 Sec. 6.5. Gaming License Issuance. Upon  
10 completion of the necessary background investigation  
11 (including any reliance in whole or in part on a State  
12 certification of nonobjection, or a State gaming license  
13 under Section 6.4.8), receipt and review of such further  
14 information as the Tribal gaming agency may require,  
15 and as to applicants who are not Tribal members, actual  
16 or constructive receipt by the Tribal gaming agency of a  
17 certificate of nonobjection by the State gaming agency,  
18 and payment of all necessary fees by the applicant, the  
19 Tribal gaming agency may issue a license on a conditional  
20 or unconditional basis. Nothing herein shall create a  
21 property or other right of an applicant in an opportunity  
22 to be licensed, or in a license itself, both of which shall be  
23 considered to be privileges granted to the applicant in the  
24 sole discretion of the Tribal gaming agency.

25 Sec. 6.5.1. Denial, Suspension, or Revocation of  
26 Licenses. Any application for a gaming license may be  
27 denied, and any license issued may be revoked, if the  
28 Tribal gaming agency determines that the application is  
29 incomplete or deficient, the applicant is determined to be  
30 unsuitable or otherwise unqualified for a gaming license,  
31 or the State objects to the issuance of that license  
32 pursuant to subdivision (c) of Section 6.5.6. Pending  
33 consideration of revocation, the Tribal gaming agency  
34 may suspend a license in accordance with Section 6.5.5.  
35 All rights to notice and hearing shall be governed by  
36 Tribal law, as to which the applicant will be notified in  
37 writing along with notice of an intent to suspend or  
38 revoke the license.

39 Sec. 6.5.2. Renewal of Licenses; Extensions; Further  
40 Investigation. In the event a licensee has applied for



1 renewal prior to expiration of a license and the Tribal  
2 gaming agency has, through no fault of the applicant,  
3 been unable to complete the renewal process prior to that  
4 expiration, the license shall be deemed to be  
5 automatically extended until formal action has been  
6 taken on the renewal application or a suspension or  
7 revocation has occurred. Applicants for renewal of a  
8 license shall provide updated material as requested, on  
9 the appropriate renewal forms, but, at the discretion of  
10 the Tribal gaming agency, may not be required to  
11 resubmit historical data previously submitted or that is  
12 otherwise available to the Tribal gaming agency. At the  
13 discretion of the Tribal gaming agency, an additional  
14 background investigation may be required at any time if  
15 the Tribal gaming agency determines the need for  
16 further information concerning the applicant's  
17 continuing suitability or eligibility for a license.

18 Sec. 6.5.3. Identification Cards. The Tribal gaming  
19 agency shall require that all persons who are required to  
20 be licensed shall wear, in plain view at all times while in  
21 the gaming facility, identification badges issued by the  
22 Tribal gaming agency. Identification badges must  
23 include information including, but not limited to, a  
24 photograph and an identification number, which is  
25 sufficient to enable agents of the Tribal gaming agency to  
26 readily identify the employees and determine the validity  
27 and date of expiration of their license.

28 Sec. 6.5.4. Fees for Tribal License. The fees for all  
29 tribal licenses shall be set by the Tribal gaming agency.

30 Sec. 6.5.5. Suspension of Tribal License. The Tribal  
31 gaming agency may summarily suspend the license of any  
32 employee if the Tribal gaming agency determines that  
33 the continued licensing of the person or entity could  
34 constitute a threat to the public health or safety or may  
35 be in violation of the Tribe's licensing standards. Any  
36 right to notice or hearing in regard thereto shall be  
37 governed by Tribal law.

38 Sec. 6.5.6. State Certification Process. (a) Except  
39 for enrolled members of a federally recognized California  
40 tribe, who shall be licensed exclusively by the Tribe, upon

1 receipt of a completed license application and a  
2 determination by the Tribal gaming agency that it  
3 intends to issue the earlier of a temporary or permanent  
4 license, the Tribal gaming agency shall transmit to the  
5 State gaming agency a copy of all Tribal license  
6 application materials together with a set of fingerprint  
7 cards, a current photograph, and such releases of  
8 information, waivers, and other completed and executed  
9 forms as have been obtained by the Tribal gaming  
10 agency, unless the State gaming agency waives some or  
11 all of those submissions, together with a notice of intent  
12 to license that applicant. Additional information may be  
13 required by the State gaming agency to assist it in its  
14 background investigation, provided that such State  
15 gaming agency requirement shall be no greater than that  
16 which is typically required of applicants for a State  
17 gaming license in connection with nontribal gaming  
18 activities and at a similar level of participation or  
19 employment. The State gaming agency and the Tribal  
20 gaming agency (together with Tribal gaming agencies  
21 under other Gaming Compacts) shall cooperate in  
22 developing standard licensing forms for Tribal gaming  
23 license applicants, on a statewide basis, that reduce or  
24 eliminate duplicative or excessive paperwork, which  
25 forms and procedures shall take into account the Tribe's  
26 requirements under IGRA and the expense thereof.

27 (b) Temporary License Objection. The State gaming  
28 agency shall notify the Tribal gaming agency as promptly  
29 as possible if it has an objection to the issuance of a  
30 temporary license, but the Tribal gaming agency may not  
31 be required to await objection or nonobjection by the  
32 State gaming agency in issuing a temporary license. Any  
33 objection shall be made in good faith, and shall be given  
34 prompt and thorough consideration in good faith by the  
35 Tribal gaming agency. Nothing herein prevents the State  
36 gaming agency from at any time requesting suspension or  
37 revocation of a temporary license pursuant to subdivision  
38 (d) of Section 6.5.6. Any dispute over the issuance of a  
39 temporary license shall be resolved in accordance with  
40 the procedures set forth in Section 9.0.

1 (c) Background Investigations of Applicants. Upon  
2 receipt of completed license application information  
3 from the Tribal gaming agency, the State gaming agency  
4 may conduct a background investigation to determine  
5 whether the applicant is suitable to be licensed in  
6 accordance with the standards set forth in Section 6.4.3.  
7 The State gaming agency and Tribal gaming agency shall  
8 cooperate in sharing as much background information as  
9 possible, both to maximize investigative efficiency and  
10 thoroughness and to minimize investigative costs. Upon  
11 completion of the necessary background investigation or  
12 other verification of suitability, the State gaming agency  
13 shall issue a notice to the Tribal gaming agency certifying  
14 that the State has no objection to the issuance of a license  
15 to the applicant by the Tribal gaming agency  
16 (“certification of nonobjection”), or that it objects to that  
17 issuance. If notice of objection is given, a statement  
18 setting forth the grounds for the objection shall be  
19 forwarded to the Tribal gaming agency together with the  
20 information upon which the objection was based, unless  
21 doing so would violate a confidentiality agreement or  
22 compromise a pending criminal investigation. If a notice  
23 of objection or a certificate of nonobjection is not  
24 received by the Tribal gaming agency within 90 days of  
25 the first receipt by the State gaming agency of the  
26 application information and intent to issue a temporary  
27 or permanent license, as provided herein, the State  
28 gaming agency shall be deemed to have issued a  
29 certificate of nonobjection.

30 (d) Grounds for Requesting Tribal License  
31 Revocation or Suspension or Denying State Certification  
32 of Nonobjection. The State gaming agency may revoke  
33 a State certification of nonobjection if it determines at any  
34 time that the applicant or license holder does not meet  
35 the standards for suitability set forth in Section 6.4.3. Upon  
36 the Tribal gaming agency’s receipt of notice of that  
37 action, it shall immediately and in good faith consider the  
38 action of the State gaming agency and, if the  
39 circumstances warrant it, take action to suspend or  
40 revoke the licensee’s Tribal license, unless within seven

1 days of receipt of that notice it has notified the State  
2 gaming agency that good cause exists to defer taking that  
3 action, including the need for further investigation.  
4 Disputes regarding the action taken or not taken in  
5 response to the State gaming agency request shall be  
6 resolved pursuant to Section 9.0. If at any time the State  
7 gaming agency becomes aware of information that would  
8 constitute good cause to deny or revoke the Tribal license  
9 of any person, including members of federally recognized  
10 Indian tribes in California who are exempt from the State  
11 review process, it shall convey that information to the  
12 Tribal gaming agency promptly after being made aware  
13 of that information, and may request that appropriate  
14 action be taken by the Tribal gaming agency as to that  
15 person.

16 Sec. 6.5. Licenses Required. A person may not be  
17 employed by, or act as a gaming resource supplier to, any  
18 gaming activity or facility of the Tribe unless that person,  
19 if required to be licensed, has obtained all licenses  
20 required hereunder.

21

## 22 Sec. 7.0. TRIBAL ENFORCEMENT OF GAMING 23 COMPACT PROVISIONS

24 Sec. 7.1. On-Site Regulation. It is the responsibility  
25 of the Tribal gaming agency to conduct on-site gaming  
26 regulation and control in order to enforce the terms of  
27 this Gaming Compact, IGRA, and the Tribal gaming  
28 ordinance with respect to gaming operation and facility  
29 compliance, and to protect the integrity of the gaming  
30 activities, the reputation of the Tribe and the gaming  
31 operation for honesty and fairness, and the confidence of  
32 patrons that tribal government gaming in California  
33 meets the highest standards of regulation and internal  
34 controls. To meet those responsibilities, the Tribal  
35 gaming agency shall adopt regulations, procedures, and  
36 practices as set forth herein.

37 Sec. 7.2. Investigation and Sanctions. The Tribal  
38 gaming agency shall investigate any reported violation of  
39 this Gaming Compact and shall require the gaming  
40 operation to correct the violation upon such terms and



1 conditions as the Tribal gaming agency determines are  
 2 necessary. The Tribal gaming agency shall be  
 3 empowered by the Tribal ordinance to impose fines or  
 4 other sanctions within the jurisdiction of the Tribe against  
 5 gaming licensees or other persons who interfere with or  
 6 violate the Tribe's gaming regulatory requirements and  
 7 obligations under IGRA, the Tribal gaming ordinance, or  
 8 this Gaming Compact. The Tribal gaming agency shall  
 9 report continued violations or failures to comply with its  
 10 orders to the State gaming agency, provided that the  
 11 continued violations and compliance failures have first  
 12 been reported to the Tribe and no corrective action has  
 13 been taken within a reasonable period of time.

14 Sec. 7.3. Assistance by State Gaming Agency. If  
 15 requested by the Tribal gaming agency, the State gaming  
 16 agency shall assist in any investigation initiated by the  
 17 Tribal gaming agency and provide other requested  
 18 services to ensure proper compliance with this Gaming  
 19 Compact. The State shall be reimbursed for its reasonable  
 20 costs of that assistance provided that it has received  
 21 approval from the Tribe in advance for those  
 22 expenditures.

23 Sec. 7.4. Access to Premises by State Gaming Agency;  
 24 Notification; Inspections. Notwithstanding that the  
 25 Tribe has the primary responsibility to administer and  
 26 enforce the regulatory requirements, the State gaming  
 27 agency shall have the right to inspect the Tribe's gaming  
 28 facilities with respect to class III gaming activities only,  
 29 and all gaming operation or facility records relating  
 30 thereto, subject to the following conditions:

31 Sec. 7.4.1. Inspection of public areas of a gaming  
 32 facility may be made at any time without prior notice  
 33 during normal gaming facility business hours.

34 Sec. 7.4.2. Inspection of private areas of a gaming  
 35 facility not accessible to the public may be made at any  
 36 time during normal gaming facility business hours,  
 37 immediately after the State gaming agency's authorized  
 38 inspector notifies the Tribal gaming agency and gaming  
 39 facility management of his or her presence on the  
 40 premises, presents proper identification, and requests

1 access to the nonpublic areas of the gaming facility. The  
2 Tribal gaming agency, in its sole discretion, may require  
3 an employee of the gaming facility or the Tribal gaming  
4 agency to accompany the State gaming agency inspector  
5 at all times that the State gaming agency inspector is on  
6 the premises of a gaming facility. If the Tribal gaming  
7 agency imposes such a requirement, it shall require such  
8 an employee of the gaming facility or the Tribal gaming  
9 agency to be available at all times for those purposes.

10 Sec. 7.4.3. Inspection and copying of gaming  
11 operation records may occur at any time, immediately  
12 after notice to the Tribal gaming agency, during the  
13 normal hours of the facility's business office, provided  
14 that the inspection and copying of those records may not  
15 interfere with the normal functioning of the gaming  
16 operation or facility. Notwithstanding any other  
17 provision of the law of this State, all information and  
18 records, and copies thereof, that the State gaming agency  
19 obtains, inspects, or copies pursuant to this Gaming  
20 Compact shall be and remain the property solely of the  
21 Tribe, and may not be released or divulged for any  
22 purpose without the Tribe's prior written consent, except  
23 that the production of those records may be compelled by  
24 subpoena in a criminal prosecution or in a proceeding for  
25 violation of this Gaming Compact without the Tribe's  
26 prior written consent, and provided further that, prior to  
27 the disclosure of the contents of any such records, the  
28 Tribe shall be given at least 10 court days' notice and an  
29 opportunity to object or to require the redaction of trade  
30 secrets or other confidential information that is not  
31 relevant to the proceeding in which the records are to be  
32 produced.

33 Sec. 7.4.4. Whenever a representative of the State  
34 gaming agency enters the premises of the gaming facility  
35 for any such inspection, that representative shall  
36 immediately identify himself or herself to security or  
37 supervisory personnel of the gaming facility.

38 Sec. 7.4.5. Any person associated with the State  
39 gaming agency who is expected to have access to  
40 nonpublic areas of the gaming facility shall first be



1 identified to the Tribal gaming agency as so authorized,  
2 and following a sufficient period of time for the Tribal  
3 gaming agency to conduct a reasonable inquiry into the  
4 person's character and background, and to grant  
5 approval to that person's presence, which approval may  
6 not be unreasonably withheld.

7  
8 Sec. 8.0. RULES AND REGULATIONS FOR THE  
9 OPERATION AND MANAGEMENT OF THE TRIBAL  
10 GAMING OPERATION

11 Sec. 8.1. Adoption of Regulations for Operation and  
12 Management; Minimum Standards. In order to meet  
13 the goals set forth in this Gaming Compact and required  
14 of the Tribe by law, the Tribal gaming agency shall be  
15 vested with the authority to promulgate, at a minimum,  
16 rules and regulations governing the following subjects,  
17 and to ensure their enforcement in an effective manner:

18 Sec. 8.1.1. The enforcement of all relevant laws and  
19 rules with respect to the gaming operation and facility,  
20 and the power to conduct investigations and hearings  
21 with respect thereto and to any other subject within its  
22 jurisdiction.

23 Sec. 8.1.2. The physical safety of gaming operation  
24 patrons, employees, and any other person while in the  
25 gaming facility.

26 Sec. 8.1.3. The physical safeguarding of assets  
27 transported to, within, and from the gaming facility.

28 Sec. 8.1.4. The prevention of illegal activity from  
29 occurring within the facility or with regard to the gaming  
30 operation, including, but not limited to, the maintenance  
31 of employee procedures and a surveillance system as  
32 provided below.

33 Sec. 8.1.5. The detention of persons who may be  
34 involved in illegal acts for the purpose of notifying  
35 appropriate law enforcement authorities.

36 Sec. 8.1.6. The recording of any and all occurrences  
37 within the gaming facility that deviate from normal  
38 operating policies and procedures (hereafter  
39 "incidents"). The procedure for recording incidents shall  
40 (1) specify that security personnel record all incidents,

1 regardless of an employee's determination that the  
2 incident may be immaterial (all incidents shall be  
3 identified in writing); (2) require the assignment of a  
4 sequential number to each report; (3) provide for  
5 permanent reporting in indelible ink in a bound  
6 notebook from which pages cannot be removed and in  
7 which entries are made on each side of each page; and (4)  
8 require that each report include, at a minimum, all of the  
9 following:

- 10 (a) The record number.
- 11 (b) The date.
- 12 (c) The time.
- 13 (d) The location of the incident.
- 14 (e) A detailed description of the incident.
- 15 (f) The persons involved in the incident.
- 16 (g) The security department employee assigned to the  
17 incident.

18 Sec. 8.1.7. The establishment of employee procedures  
19 designed to permit detection of any irregularities, theft,  
20 cheating, fraud, or the like.

21 Sec. 8.1.8. Maintenance of a list of persons barred from  
22 the gaming facility who, because of their past behavior,  
23 criminal history, or association with persons or  
24 organizations, pose a threat to the integrity of the gaming  
25 activities of the Tribe or to the integrity of regulated  
26 gaming within the State.

27 Sec. 8.1.9. The conduct of an audit of the gaming  
28 operation, not less than annually, by an independent  
29 certified public accountant, in accordance with the  
30 auditing and accounting standards for audits of casinos of  
31 the American Institute of Certified Public Accountants.

32 Sec. 8.1.10. Submission to and prior approval from the  
33 Tribal gaming agency of the rules and regulations of each  
34 class III game to be operated by the Tribe, and of any  
35 changes in those rules and regulations. No class III game  
36 may be played that has not received Tribal gaming  
37 agency approval.

38 Sec. 8.1.11. Maintenance of a copy of the rules,  
39 regulations, and procedures for each game as presently  
40 played, including, but not limited to, the method of play



1 and the odds and method of determining amounts paid  
2 to winners. Information regarding the method of play,  
3 odds, payoff determinations, and player pool balances  
4 shall be visibly displayed or available to patrons in written  
5 form in the gaming facility. Betting limits applicable to  
6 any gaming station shall be displayed at that gaming  
7 station. In the event of a patron dispute over the  
8 application of any gaming rule or regulation, the matter  
9 shall be handled in accordance with the Tribal gaming  
10 ordinance and any rules and regulations promulgated by  
11 the Tribal gaming agency.

12 Sec. 8.1.12. Maintenance of a closed-circuit television  
13 surveillance system consistent with industry standards for  
14 gaming facilities of the type and scale operated by the  
15 Tribe, which system shall be approved by, and may not  
16 be modified without the approval of, the Tribal gaming  
17 agency. The Tribal gaming agency shall have current  
18 copies of the gaming facility floor plan and closed-circuit  
19 television system at all times, and any modifications  
20 thereof first shall be approved by the Tribal gaming  
21 agency.

22 Sec. 8.1.13. Maintenance of a cashier's cage in  
23 accordance with industry standards for such facilities.

24 Sec. 8.1.14. A description of minimum staff and  
25 supervisory requirements for each gaming activity to be  
26 conducted.

27 Sec. 8.1.15. Regulations specific to technical standards  
28 for the operation of Tribal gaming terminals and other  
29 games authorized herein to be adopted by the Tribe,  
30 which technical specifications may be no less stringent  
31 than those approved by a recognized gaming testing  
32 laboratory in the gaming industry.

33 Sec. 8.2. Criminal Jurisdiction. Nothing in this  
34 Gaming Compact affects the criminal jurisdiction of the  
35 State under Public Law 280 (18 U.S.C. Sec. 1162) or IGRA,  
36 to the extent applicable, provided that no gaming activity  
37 conducted in compliance with this Gaming Compact and  
38 the Act may be deemed to be a civil or criminal violation  
39 of any law of the State. Except as otherwise provided  
40 herein, to the extent the State contends that a violation



1 of this Gaming Compact or any law of the State regarding  
2 the regulation or conduct of gambling has occurred at or  
3 in relation to the Tribe's gaming operation or facility, the  
4 violation shall be treated solely as a civil matter to be  
5 resolved pursuant to Section 9.0.

6  
7 Sec. 9.0. DISPUTE RESOLUTION PROVISIONS

8 Sec. 9.1. Voluntary Resolution; Reference to Other  
9 Means of Resolution. In recognition of the  
10 government-to-government relationship of the Tribe and  
11 the State, the parties shall make their best efforts to  
12 resolve disputes that occur under this Gaming Compact  
13 by good faith negotiations whenever possible. Therefore,  
14 without prejudice to the right of either party to seek  
15 injunctive relief against the other when circumstances  
16 require that immediate relief, the parties hereby  
17 establish a threshold requirement that disputes between  
18 the Tribe and the State first be subjected to a process of  
19 meeting and conferring in order to foster a spirit of  
20 cooperation and efficiency in the administration and  
21 monitoring of performance and compliance by each  
22 other with the terms, provisions, and conditions of this  
23 Gaming Compact, as follows:

24 (a) Either party shall give the other, as soon as possible  
25 after the event giving rise to the concern, a written notice  
26 setting forth the issues to be resolved.

27 (b) The parties shall meet and confer in a good faith  
28 attempt to resolve the dispute through negotiation not  
29 later than 10 days after receipt of the notice, unless both  
30 parties agree in writing to an extension of time.

31 (c) If the dispute is not resolved to the satisfaction of  
32 the parties within 20 days after the first meeting, then a  
33 party may seek to have the dispute resolved by an  
34 arbitrator in accordance with this section. "Dispute," for  
35 purposes of this subdivision, means any disagreement  
36 between the State gaming agency and the Tribal gaming  
37 agency in reference to the provisions of Sections 4.0 to  
38 8.1.15, inclusive.

39 (d) Disagreements other than disputes as defined in  
40 subdivision (c) shall be resolved in federal district court

1 and all applicable courts of appeal (or, if those federal  
2 courts lack jurisdiction, in any court of competent  
3 jurisdiction and its related courts of appeal). The disputes  
4 to be submitted to court action include, but are not  
5 limited to, any other dispute, including, but not limited  
6 to, claims of breach or failure to negotiate in good faith.  
7 In no event may the Tribe be precluded from pursuing  
8 any arbitration or judicial remedy against the State on the  
9 grounds that the Tribe has failed to exhaust its state  
10 administrative remedies.

11 Sec. 9.2. Arbitration Rules. Arbitration shall be  
12 conducted in accordance with the policies and  
13 procedures of the Commercial Arbitration Rules of the  
14 American Arbitration Association, and shall be held on  
15 the Tribe's reservation. Each side shall bear its own costs,  
16 attorneys' fees, and one-half the cost of the arbitration.  
17 Only one arbitrator may be named, unless the Tribe and  
18 the State agree otherwise. The decision of the arbitrator  
19 shall be binding.

20 Sec. 9.3. No Waiver or Preclusion of Other Means of  
21 Dispute Resolution. This section may not be construed  
22 to waive, limit, or restrict any remedy that is otherwise  
23 available to either party, nor may this section be  
24 construed to preclude, limit, or restrict the ability of the  
25 parties to pursue, by mutual agreement, any other  
26 method of dispute resolution, including, but not limited  
27 to, mediation or utilization of a technical advisor to the  
28 Tribal and State gaming agencies, provided that neither  
29 party is under any obligation to agree to such alternative  
30 method of dispute resolution.

31 Sec. 9.4. Limited Waiver of Sovereign  
32 Immunity. (a) In the event that a dispute is to be  
33 resolved in federal court or a court of competent  
34 jurisdiction as provided in Section 9.1, the State and the  
35 Tribe expressly consent to be sued therein and waive any  
36 immunity therefrom that they may have, provided that:

37 (1) The dispute is limited solely to issues arising under  
38 this Gaming Compact;

1 (2) Neither side makes any claim for monetary  
2 damages (that is, only injunctive, specific performance,  
3 or declaratory relief is sought); and

4 (3) No person or entity other than the Tribe and the  
5 State are parties to the action.

6 (b) In the event of intervention by any additional  
7 party into any such action without the consent of the  
8 Tribe and the State, the waivers of both the Tribe and  
9 State provided for herein shall be deemed to be revoked  
10 and void.

11 (c) The waivers and consents provided for under this  
12 Section 9.0 shall extend to any actions to compel  
13 arbitration, any arbitration proceeding herein, any action  
14 to confirm or enforce any arbitration award as provided  
15 herein, and any appellate proceedings emanating from a  
16 matter in which an immunity waiver has been granted.  
17 Except as stated herein, no other waivers or consents to  
18 be sued, either express or implied, are granted by either  
19 party.

20

21 Sec. 10.0. PUBLIC HEALTH, SAFETY, AND  
22 LIABILITY

23 Sec. 10.1. Compliance. For the purposes of this  
24 Gaming Compact, the Tribal gaming operation shall  
25 comply with and enforce standards no less stringent than  
26 the following with respect to public health and safety:

27 (a) Public health standards for food and beverage  
28 handling in accordance with United States Public Health  
29 Service requirements.

30 (b) Federal water quality and safe drinking water  
31 standards.

32 (c) The building and safety standards set forth in  
33 Section 6.4.

34 (d) A requirement that the Tribe carry no less than  
35 two million dollars (\$2,000,000) in public liability  
36 insurance for patron claims, and that the Tribe provide  
37 reasonable assurance that those claims will be promptly  
38 and fairly adjudicated, and that legitimate claims will be  
39 paid, provided that nothing herein requires the Tribe to  
40 agree to liability for punitive damages or attorneys' fees.



1 (e) Tribal codes and other applicable federal law  
2 regarding public health and safety.

3 (f) The creation and maintenance of a system that  
4 provides redress for employee work-related injuries,  
5 disabilities, and unemployment through requiring  
6 insurance or self-insurance, or by other means, which  
7 system includes the right to notice, hearings, and a means  
8 of enforcement and provides benefits comparable to  
9 those mandated for comparable workplaces under State  
10 law.

11 Sec. 10.2. Emergency Service Accessibility. The  
12 Tribal gaming operation shall ensure that it has made  
13 reasonable provisions for adequate emergency fire,  
14 medical, and related relief and disaster services for  
15 patrons and employees of the facility.

16 Sec. 10.3. Alcoholic Beverage Service. Standards for  
17 alcohol service shall be subject to applicable law.

18  
19 Sec. 11.0. AMENDMENTS, DURATION, AND  
20 EFFECTIVE DATE

21 Sec. 11.1. Effective Date. This Gaming Compact  
22 shall constitute the agreement between the State and the  
23 Tribe pursuant to IGRA and may be amended and  
24 modified only under the provisions set forth herein. This  
25 Gaming Compact shall take effect upon publication of  
26 notice of approval by the United States Secretary of the  
27 Interior in the Federal Register in accordance with  
28 applicable federal law (25 U.S.C. Sec. 2710(d)(3)(B)).

29 Sec. 11.2. Voluntary Termination. Once effective,  
30 this Gaming Compact shall be in effect until terminated  
31 either by the written agreement of both parties or by the  
32 Tribe unilaterally upon 60 days' written notice to the  
33 Governor.

34  
35 Sec. 12.0. AMENDMENTS; RENEGOTIATIONS

36 Sec. 12.1. The terms and conditions of this Gaming  
37 Compact may be amended at any time by the mutual and  
38 written agreement of both parties, and such amendment  
39 is approved hereby as part of the Act.

1 Sec. 12.2. In the event that federal or State law is  
2 changed or is interpreted, by enactment, a final court  
3 decision, a practice of the State gaming agency, or the  
4 inclusion of such gaming in a tribal-state compact, to  
5 permit gaming in California that is not now permitted to  
6 any person or entity for any purpose, or, if permitted, is  
7 being lawfully offered for the first time, this Gaming  
8 Compact shall be automatically amended to include that  
9 permitted or offered gaming, which shall be deemed to  
10 be included within the definition of “gaming activities”  
11 hereunder.

12 Sec. 12.3. This Gaming Compact is subject to  
13 renegotiation in the event the Tribe wishes to engage in  
14 forms of class III gaming other than those games  
15 authorized or automatically included herein and requests  
16 renegotiation for that purpose, provided that, except for  
17 a change in law or a court ruling that establishes the right  
18 of the Tribe to engage in other forms of gaming, no such  
19 renegotiation may be sought for 12 months following the  
20 effective date of this Gaming Compact.

21 Sec. 12.4. Process and Negotiation Standards. All  
22 requests to amend or renegotiate shall be in writing,  
23 addressed to the State gaming agency, and shall include  
24 the activities or circumstances to be negotiated together  
25 with a statement of the basis supporting the request. If the  
26 request meets the requirements of this section, the  
27 parties shall confer promptly and determine a schedule  
28 for commencing negotiations within 30 days of the  
29 request. Unless expressly provided otherwise herein, all  
30 matters involving negotiations or other amendatory  
31 processes under this section shall be governed,  
32 controlled, and conducted (a) in conformity with the  
33 provisions and requirements of IGRA, including those  
34 provisions regarding the obligation of the State to  
35 negotiate in good faith and the enforcement of that  
36 obligation in federal court, as to which obligation and  
37 actions in federal court the State hereby agrees and  
38 consents to be sued in that court system, and (b) in  
39 conformity with the authority of the Secretary of the  
40 Interior to adopt procedures for the Tribe’s engagement

1 in class III gaming if no agreement in a Gaming Compact  
2 can be reached and the State has failed to negotiate in  
3 good faith. The Chairperson of the Tribe and the  
4 Governor of the State are hereby authorized to designate  
5 the person or agency responsible for conducting the  
6 negotiations, and shall execute any documents necessary  
7 as a result thereof.

8 Sec. 13.0. NOTICES. Unless otherwise indicated by  
9 this Gaming Compact, all notices required or authorized  
10 to be served shall be served by first-class mail at the  
11 following addresses:

13 Governor	Tribal Chairperson
14 State of California	[Formal Name of Tribe]
15 State Capitol	
16 Sacramento, California	

17  
18 Sec. 14.0. SEVERABILITY. In the event that any  
19 section or provision of this Gaming Compact is held  
20 invalid, or its application to any particular activity is held  
21 invalid, it is the intent of the parties that the remaining  
22 sections of this Gaming Compact continue in full force  
23 and effect, provided that, in the event provisions must be  
24 added to this Gaming Compact in order to preserve the  
25 intentions of the parties in light of that invalidity, the  
26 parties shall promptly negotiate those provisions in good  
27 faith.

28  
29 Sec. 15.0. CHANGES IN IGRA. This Gaming  
30 Compact is intended to meet the requirements of IGRA  
31 or any successor statute, as in effect on the date this  
32 Gaming Compact becomes effective. Subsequent  
33 changes to IGRA that diminish the rights of the State or  
34 the Tribe may not be applied retroactively to this Gaming  
35 Compact, except to the extent that federal law validly  
36 mandates that diminishment without the State's or the  
37 Tribe's respective consent.

38  
39 Sec. 16.0. MISCELLANEOUS

1 Sec. 16.1. The parties agree that, in order to further  
2 the intent of the parties and the goals of the Act, and to  
3 implement this Gaming Compact in a manner consistent  
4 therewith, this Gaming Compact shall be amended by  
5 mutual consent, arrived at as the result of good faith  
6 negotiations, if necessary to clarify or effectuate the goals  
7 and intent of this Gaming Compact and the Act, to the  
8 extent that the goals and intent are not addressed, or are  
9 ambiguously or incompletely provided for herein,  
10 provided that nothing in this section may delay the  
11 effective date or implementation of this Gaming  
12 Compact.

13 Sec. 16.2. Any State agency or other subdivision of the  
14 State providing regulatory or other services to the Tribe  
15 pursuant to this Gaming Compact shall be entitled to  
16 reimbursement from the Tribe for the actual and  
17 reasonable cost of those services, and the Tribe shall  
18 promptly pay that reimbursement to that agency or  
19 subdivision upon receipt of itemized invoices therefor.  
20 Any disputes concerning the reasonableness of any claim  
21 for reimbursement shall be resolved in accordance with  
22 the dispute resolution procedures set forth in Section 9.0.

23 Sec. 16.3. This Gaming Compact sets forth the full and  
24 complete agreement of the parties and supersedes any  
25 prior agreements or understandings with respect to the  
26 subject matter hereof.

27

28 [FORMAL NAME OF TRIBE]

29 By \_\_\_\_\_ DATED: \_\_\_\_ day of \_\_\_\_\_,  
30 Chairperson

31

32 THE STATE OF CALIFORNIA

33 By \_\_\_\_\_ DATED: \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.”  
34 Governor

35

36 99005. The Gaming Compact offered in Section 99004  
37 shall, to the extent permitted by law, be deemed agreed  
38 to, approved, and executed by the State of California in  
39 the event a request therefor is duly made by a federally  
40 recognized Indian tribe in accordance with Section 99002





1 and it is not executed by the Governor within the time  
2 prescribed in this chapter, provided that, in the event this  
3 provision is deemed to be unlawful or ineffective for any  
4 reason, or if the tribe in its discretion seeks to compel  
5 execution of the Gaming Compact through court action,  
6 the State of California hereby submits to the jurisdiction  
7 of the courts of the United States in any action brought  
8 against the state by any federally recognized Indian tribe  
9 asserting any cause of action arising from the state's  
10 refusal to execute the Gaming Compact offered in  
11 Section 99004 upon a tribe's request therefor. Without  
12 limiting the foregoing, the State of California also submits  
13 to the jurisdiction of the courts of the United States in any  
14 action brought against the state by any federally  
15 recognized California Indian tribe asserting any cause of  
16 action arising from the state's refusal to enter into  
17 negotiations with that tribe for the purpose of entering  
18 into a different Tribal-State compact pursuant to IGRA or  
19 to conduct those negotiations in good faith, the state's  
20 refusal to enter into negotiations concerning the  
21 amendment of a Tribal-State compact to which the state  
22 is a party, or to negotiate in good faith concerning that  
23 amendment, or the state's violation of the terms of any  
24 Tribal-State compact to which the state is or may become  
25 a party.

26 99006. The gaming authorized pursuant to this  
27 chapter, including, but not limited to, the gaming  
28 authorized pursuant to the Gaming Compact set forth in  
29 Section 99004, is not subject to any prohibition in state law  
30 now or hereafter enacted. Without limiting the  
31 foregoing, and notwithstanding any other provision of  
32 law, the following forms of gaming specifically are  
33 permitted and authorized to be conducted on Indian  
34 lands by a tribe that has entered into a Tribal-State  
35 compact with the state pursuant to this chapter, IGRA, or  
36 any other law:

37 (a) Any card games that were operated on any Indian  
38 reservation in California on or before January 1, 1998,  
39 provided that, with respect to card games that are not  
40 within class II of IGRA (which class II games are not

1 affected by this chapter), those card games shall pay  
2 prizes solely in accordance with a players' pool prize  
3 system in which one or more segregated pools of funds  
4 that have been collected from player wagers are  
5 irrevocably dedicated to the prospective award of prizes  
6 in those card games or other lottery games, promotions,  
7 or contests and in which the house neither has acquired  
8 nor can acquire any interest. The tribe may set and collect  
9 a fee from players on a per play, per amount wagered, or  
10 time-period basis, and may seed the pools in the form of  
11 loans or promotional expenses, provided that the seeding  
12 is not used to pay prizes previously won.

13 (b) Any gaming or gambling device, provided that the  
14 devices do not dispense coins or currency and are not  
15 activated by handles, and prizes therefrom are awarded  
16 solely from one or more segregated pools of funds (1) that  
17 have been collected from player wagers, (2) that are  
18 irrevocably dedicated to the prospective award of prizes  
19 in such games or in other lottery games, contests,  
20 tournaments, or prize pool promotions, and (3) in which  
21 the house neither has acquired nor can acquire any  
22 interest. The tribe may set and collect a fee from players  
23 on a per play, per amount wagered, or time-period basis,  
24 and may seed the pools in the form of loans or  
25 promotional expenses, provided that the seeding is not  
26 used to pay prizes previously won. The introduction,  
27 possession, manufacture, repair, or transportation of  
28 gaming devices that are authorized by the terms of any  
29 Tribal-State gaming compact between the State of  
30 California and any federally recognized Indian tribe  
31 exercising jurisdiction over Indian lands in California is  
32 lawful in this state.

33 (c) The operation of any lottery game, including, but  
34 not limited to, drawings, raffles, match games, and instant  
35 lottery ticket games.

36 99007. If any provision of this chapter or the  
37 application thereof to any person or circumstance is held  
38 invalid, that invalidity may not affect other provisions or  
39 applications of this chapter that can be given effect



1 without the invalid provision or application, and to this  
2 end the provisions of this chapter are severable.

3 99008. The Governor is authorized and directed to  
4 execute any documents that may be necessary to  
5 implement this chapter.

6 99009. The provisions of the Gaming Compact set  
7 forth in Section 99004 are hereby incorporated into state  
8 law, and all gaming activities, including but not limited to  
9 gaming devices, authorized therein are expressly  
10 declared to be permitted as a matter of state law to any  
11 Indian tribe entering into the Gaming Compact in  
12 accordance with this chapter.

13 99010. Nothing in this chapter may be construed to  
14 limit the ability of a federally recognized Indian tribe to  
15 request that a Tribal-State compact be negotiated with  
16 the state on terms that are different from those set forth  
17 in the Gaming Compact under this chapter, or the ability  
18 of the state to engage in those negotiations and to reach  
19 agreement under IGRA. Nothing in this chapter may be  
20 construed to mean that, in offering the Gaming Compact  
21 to Indian tribes in California under Section 99004, and,  
22 except for assessments by the state as provided therein of  
23 such amounts as are necessary to defray its costs of  
24 regulating activities as provided under the Gaming  
25 Compact, (a) the state is imposing any tax, fee, charge, or  
26 other assessment upon an Indian tribe or upon any other  
27 person or entity authorized by an Indian tribe as a  
28 condition to engaging in a class III activity, or (b) the  
29 state is refusing to enter into Tribal-State compact  
30 negotiations based upon the lack of authority of the state,  
31 or of any political subdivision of the state, to impose such  
32 a tax, fee, charge, or other assessment.

33 99011. No amendment to the Gaming Compact as  
34 provided for therein or under this chapter requires  
35 further approval by the Legislature or the electorate.